

## Thwarting the Diversity Backlash

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### **Develop an inclusive plan that highlights the bottom-line effect and benefits to all employees**

The two Supreme Court cases challenging the University of Michigan's admissions processes have put affirmative action under a microscope of legal and public opinion.

Three white rejected applicants—one to the law school and two to the undergraduate program—charge that the university's admissions policy gave preferential treatment to similarly qualified black, Hispanic and American Indian candidates.

While there have been few significant legal challenges to corporate diversity initiatives, it's possible that such programs also could come under fire from employees in organizations that fail to communicate the value of diversity initiatives to every employee—not just to underrepresented groups.

Last year, for example, a white middle manager at Eastman Kodak in Rochester, N.Y., brought a reverse discrimination lawsuit against the company. He contends that he was demoted for poorly handling the alleged harassment of a black subordinate by his other employees. He also claims that Kodak's Cultural Change Strategy—an initiative imposing zero tolerance for discrimination—is being used "to discriminatorily discipline and terminate Caucasian employees," according to the complaint filed in the U.S. District Court of Western New York. The case is pending.

Organizations that frame diversity in terms of racial or gender discrimination, a practice that emerged from early diversity training models of the 1990s, are in danger of fomenting employee resentment—if not lawsuits—which surfaces as low morale, high turnover and poor productivity.

Companies with poorly executed diversity programs have been vulnerable to backlash for some time, says Sondra Thiederman, president of Cross-Cultural Communications, a San Diego-based consulting firm for workplace diversity and cross-cultural business practices.

Shoring up weaknesses in diversity efforts can help employees understand the organization's diversity objectives and help ensure that your workforce embraces their goals.

### **Confusion About Objectives**

Many employees, even women and other minority groups, think corporate diversity programs benefit only black employees, according to a 2002 survey by Novations/J. Howard & Associates, a diversity and inclusion consulting firm in Boston. Of 1,134 employees surveyed, 47 percent of whites, 50 percent of Asians and Native Americans, and 53 percent of Hispanics said they think "only some groups" have benefited from a focus on diversity.

Black employees are also critical of corporate diversity efforts: They are much less likely than whites (37 percent vs. 62 percent) to believe that their executive management's goals or actions reflect a real commitment to diversity, the survey shows.

"I am always receiving mixed signals about diversity," says a black executive at a Wall Street firm who asked that his name be withheld. "Senior management says it is very important, but I don't always see them following through with actions."

In his office, there is no real effort to communicate the bottom-line benefits of diversity, and there seems to be little appreciation for the business benefits of having a well-rounded workforce, the executive says. "Diversity is not a charity; it has a business purpose. But here, it's as if they are saying, 'We want all different sorts to come here and be just like us.' And that defeats the whole purpose."

One common mistake that diversity planners make is failing to include or consider the majority population in their strategies. "That's what often causes backlash and charges of reverse discrimination," Thiederman says. "Instead, they should be stressing that diversity means honoring and actualizing individual differences, including those of the so-called majority—white males."

Sometimes employees simply don't understand what diversity leaders are trying to accomplish. Virda M. Rhem, HR director at Texas Property and Casualty Insurance Guaranty Association in Austin, experienced that scenario in a previous position when workers questioned the company's policy of recruiting at universities outside the Austin area. "We did this to broaden the applicant pool, but some people wondered why we didn't exclusively recruit qualified local graduates, since the massive University of Texas campus is right here," she says.

HR was put in a defensive posture because it had not clearly communicated the policy's rationale, which was to broaden the pool of diverse candidates.

Another sticky issue can arise when minority group members resent the implication that they require special company assistance to succeed.

"Sometimes I hear from individuals who have spent their entire careers successfully developing standout qualifications to compensate for potential discrimination," Rhem says. "They have worked extremely hard for acceptance on their own merit and don't want to be told they 'need' these programs."

To relieve such concerns, Rhem points out that these programs are not intended for them alone, but for people of all races, cultures and situations who may not have had the same opportunities.

"It's disappointing for us to find this resentment toward diversity programs, especially among the very groups they're intended to benefit," says Michael Hyter, president and CEO of Novations/J. Howard & Associates. "But management should take this as feedback from employees that they need to do a better job [of] communicating what diversity is all about. The objective of inclusion efforts isn't really to single out particular groups but to leverage all the talent and potential within today's organization."

### Communicating Diversity Goals

In response to some of these concerns, organizations are moving away from diversity training that focuses on cultural differences, says James Carter, head of The Carter Group Inc. of Castro Valley, Calif., which provides management training and development programs. Instead, companies are seeking general training in "managing awareness"—moving away from specific issues related to race and gender toward teaching techniques to better manage a workforce of differing perspectives, backgrounds, ideas and skills.

"These requests reflect the current need for managers to learn how to manage diverse groups and to understand their own inherent cultural biases, and I think this is a good thing," says Carter. "My inclination is to move away from cross-cultural approaches to training and toward promoting soft skills that support inclusion. The difference is that we are giving people a skill that not only helps with multicultural or diversity issues, but it is also applicable in all aspects of a person's life."

Such training includes decision-making skills and communication skills that help create trust and inspire loyalty, as well as teambuilding and leadership skills, Carter says. "These skill sets are applicable in many other areas, but we make diversity the focus," he says.

Carter's company teaches these skills through workshops that can be followed up with individual coaching, team coaching and e-learning sessions, he says.

Another way HR can help prevent a backlash against diversity initiatives is to explain the fundamental differences between diversity and affirmative action.

For starters, diversity doesn't rest on quotas or special treatment.

"Although the work may overlap, diversity is not quantitative—it's qualitative," says Todd Campbell, manager of the Society for Human Resource Management's (SHRM) in-house diversity initiative. While affirmative action centers on recruiting and hiring a cadre of people of particular races, genders or cultures, "The goal of diversity is to maximize potential for all employees for the benefit of the organization. It aims to impact the company's bottom line by attracting and developing the best and the brightest people from a variety of backgrounds, skills and experiences, giving the company a broader bench strength. That directly correlates to profits and job security, and that's something employees can understand," he says.

Campbell points out that even with the rise in corporate diversity awareness, discrimination cases are on the rise. "And looking at the homogenous makeup of those occupying the top jobs in this country, the evidence is pretty clear that there hasn't been a lot of change. These [diversity] programs are in place to ensure that it doesn't continue," he says.

One of Thiederman's clients, a large casino/gaming corporation, turned around negative perceptions about its diversity initiatives by engaging white male executives in honest discussions.

"I have never seen anyone redress backlash issues so well," Thiederman says. "The messages came right from the top—from the white male CEO—who spelled out explicitly how diversity initiatives benefit the white male as much as anyone else in the company. He was able to communicate directly with others like himself that the intention was not to rectify damages or give anyone a handout, but that everyone will be held to the same high standards of performance. He was honest and believable."

Keeping lines of communication consistently open and honest is the key, Rhem says. "Misunderstandings about a company's motivations regarding diversity efforts can easily arise if things are done in a cloak-and-dagger way. Like any other issue, in the absence of information, employees will come up with their own theories."

HR also should understand that diversity programs don't have to be formal, she says. "Most of what we do is employee-driven and visibly supported by our executive director and senior management. Diversity is embedded in our culture and is reinforced through newsletters, affinity groups, recruitment programs—everything. All of our communications and corporate imagery reflect this commitment."

### Promoting Inclusion At Texas Instruments

Texas Instruments (TI) in Dallas also promotes the notion that all employees are benefactors—and architects—of diversity programs. TI has eschewed external consultants and mandatory diversity training in favor of an integrated strategy that seeks to embed principles of inclusion throughout the organization.

"Diversity is evolving," says Terry Howard, TI's diversity director. "Most of us have been down the path of those early workshops and seminars dealing with bias, but we're going much deeper now," he says. "We have credible people who can get out there and talk about it. Our own businesspeople own it, and that has been key."

TI supports a large number of "business resource groups," known elsewhere as "affinity groups." These alliances run the gamut from Muslim prayer groups to single parent interest groups, and, of course, many of them are related to race, gender and sexual orientation. But their main function is not social—it's business.

"When an employee approaches us and wants to set up a business resource group—or any diversity initiative for that matter—we insist that it be open to all employees and that it contribute to our company's success in

some way," says Howard.

An executive-level sponsor facilitates each group and helps keep the overarching business purpose on track, Howard says. Common issues discussed include mentoring, recruitment, work/life balance, coaching and team building.

"Our Muslim group is currently engaged in strategies to dispel myths and misconceptions about the religion in light of current events," Howard says. "Our Indian group was instrumental in helping us attract a highly desirable East Indian engineer from Northern California to our company."

Those objectives may sound typical of affinity groups, but it's the diversity of these groups themselves that sets them apart. "Our women's groups have male members. The executive sponsor of the black employees' group is a white male," Howard says. "I'm a member of our gay and lesbian group, even though I'm straight. In these meetings, I gain real insight into what it's like to sometimes find yourself in unwelcoming environments."

Howard achieved this level of inclusion through steady outreach efforts, such as extending constant e-mail, phone and personal invitations to employees, asking them to join groups to which their contributions would be useful, he says.

### **Making The Business Case**

In addition to clarifying the program's goals, organizations should link every diversity initiative to the company's bottom line.

"Ten years ago, when organizations like Denny's and Coca-Cola were getting 'caught' doing wrong, diversity and affirmative action were treated as remedial solutions," says Lisa Willis Johnson, deputy director of HR for the city of Columbus, Ohio, and past chair of SHRM's Workplace Diversity Committee. "We're now looking at a whole different picture." Diversity is no longer only a social mandate; it is also a competitive advantage, she says.

An organization can determine whether it effectively values and manages diversity by measuring turnover and retention, recruitment, productivity, salary equity/disparity, and advancement and succession, Johnson says.

"So much depends on the communication plan and how it's presented to the organization as a whole," says Campbell, who counsels HR professionals who are preparing to launch a corporate diversity program. "The key message should center on what's in it for them, even to the point of demonstrating the positive impact on stock prices, corporate image and the ability to attract the best and brightest candidates from all groups. Point out that this correlates to company profits, and, therefore, job security and rewards."

Expect some uneasiness and conflict when you're introducing a diversity plan, Campbell says. "Whenever you bring new people and ideas together, there will be tension. That's human nature. But the beauty is that you have an opportunity to discover some things about your staff—their talents, their unique perspectives—that you otherwise might not have seen."

Campbell says diversity planners shouldn't be intimidated by the University of Michigan cases, [Grutter v. Bollinger](#) and [Gratz v. Bollinger](#), in which a decision is expected by July. "We've seen some negative literature, a few court cases challenging corporate diversity, but that is, once again, based on a lack of understanding about the true goal: To maximize potential for all employees for the benefit of the entire organization."

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